#### MINUTES

## MONTANA HOUSE OF REPRESENTATIVES 61st LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON TAXATION

Call to Order: Chairman Bob Lake, on March 20, 2009 at 8:00 A.M., in Room 152 Capitol

#### ROLL CALL

#### Members Present:

Rep. Bob Lake, Chairman (R)

Rep. Jill Cohenour, Vice Chairman (D)

Rep. Janna Taylor, Vice Chairman (R)

Rep. Dick Barrett (D)

Rep. Mark Blasdel (R)

Rep. Edward B. Butcher (R)

Rep. Wanda Grinde (D)

Rep. Robin Hamilton (D)

Rep. Brian Hoven (R)

Rep. Mike Jopek (D)

Rep. Dave McAlpin (D)

Rep. Mike Miller (R)

Rep. Art Noonan (D)

Rep. JP Pomnichowski (D)

Rep. Lee Randall (R)

Rep. J. David Roundstone (D)

Rep. Jon Sonju (R)

Rep. Wayne Stahl (R)

Rep. Brady Wiseman (D)

Members Excused: Rep. Chas Vincent (R)

Members Absent: None

Staff Present: Jeff Martin, Legislative Branch

Jennifer O'Loughlin, Committee Secretary

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

## Committee Business Summary:

Hearing & Date Posted: HB 653, 3/16/2009; HB 654,

3/16/2009; SB 377, 3/16/2009;

HJ 2, 3/16/2009

Executive Action: HJ 2, HB 642

## HEARING ON HB 654

## Opening Statement by Sponsor:

00:01:49 Rep. Dee Brown (R), HD 3, opened the hearing on HB 654, 25% new resource development revenue to fund education and property tax relief.

## <u>Proponents' Testimony</u>:

00:03:48 Rep. Stahl, HD 35

Opponents' Testimony: None

Informational Testimony: None

## Questions from Committee Members and Responses:

00:04:42 Rep. Miller

00:05:15 Rep. Brown

00:05:23 Rep. Stahl

00:05:48 Rep. Wiseman

00:06:19 Rep. Brown

00:06:56 Rep. Wiseman

00:07:37 Rep. Brown

00:08:36 Chairman Lake

00:09:05 Rep. Miller

00:09:21 Rep. Brown

00:09:42 Rep. Miller

00:10:06 Rep. Brown

#### Closing by Sponsor:

00:10:32 Rep. Brown

00:11:02 Chairman Lake closed the hearing.

## HEARING ON SB 377

## Opening Statement by Sponsor:

- 00:11:12 Sen. Gary Perry (R), SD 35, opened the hearing on SB 377, Prohibit business expense deduction for unauthorized aliens.
- 00:12:30 Chairman Lake left the room.

#### Proponents' Testimony: None

## Opponents' Testimony:

| 00:13:20 | Shahid Haque-Hausrath, Self               |
|----------|---|
| 00:24:11 | Jamie Greer, Montana Human Rights Network |
| 00:25:44 | Vice Chairman Taylor                      |
| 00:25:53 | Rep. Butcher                              |
| 00:26:11 | Mr. Greer                                 |
| 00:26:19 | Vice Chairman Taylor                      |
| 00:26:27 | Rep. Butcher                              |
| 00:26:50 | Vice Chairman Taylor                      |
| 00:26:53 | Rep. Butcher                              |
| 00:27:07 | Mr. Greer                                 |
| 00:27:48 | Rep. Butcher                              |
| 00:28:12 | Rep. Cohenour                             |
| 00:28:16 | Vice Chairman Taylor                      |

## Informational Testimony: None

#### Questions from Committee Members and Responses:

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00:28:53 Rep. Jopek
00:29:31 Sen. Perry
00:30:46 Rep. Jopek
00:31:04 Sen. Perry
00:31:18 Rep. Miller
00:31:27 Mr. Haque-Hausrath
00:33:44 Rep. Hoven
00:34:20 Sen. Perry
00:34:43 Rep. Cohenour
00:35:12 Sen. Perry
00:35:54 Rep. Barrett
00:36:43 Sen. Perry
00:37:12 Rep. Sonju
00:37:23 Sen. Berry
00:38:55 Rep. Sonju
00:39:48 Sen. Perry
00:39:53 Rep. Butcher
```

00:40:56 Sen. Perry 00:41:05 Rep. Pomnichowski 00:41:42 Sen. Perry 00:41:59 Rep. Pomnichowski 00:42:20 Sen. Perry 00:42:58 Rep. Pomnichowski

## Closing by Sponsor:

00:43:33 Sen. Perry

00:45:31 Vice Chairman Taylor closed the hearing.

#### HEARING ON HB 653

## Opening Statement by Sponsor:

00:45:47 Rep. JP Pomnichowski (D), HD 63, opened the hearing on HB 653, Revise base taxable value of TIF for local disaster.

# <u>Proponents' Testimony</u>:

| 00:50:58 | Chris Naumann, Executive Director, Downtown Bozeman   |
|----------|---|
|          | Partnership   |
| 00:53:29 | David Smith, President, Bozeman Area Chamber of       |
|          | Commerce  |
| 00:54:23 | Greg Krueger, Development Director, Downtown Billings |
|          | Partnership   |

#### Opponents' Testimony: None

## <u>Informational Testimony</u>:

00:55:34 Debbie Jurcich, Compliance Valuation, Department of Revenue (DOR)

## Questions from Committee Members and Responses:

| 00:56:43 | Rep. Cohenour |
|----------|---------------|
| 00:57:26 | Ms. Jurcich   |
| 00:58:11 | Rep. Wiseman  |
| 00:58:29 | Ms. Jurcich   |
| 00:59:36 | Rep. Wiseman  |
| 00:59:48 | Ms. Jurcich   |
| 00:59:55 | Rep. Wiseman  |
| 01:00:22 | Mr. Naumann   |

01:00:56 Chairman Lake returned to the room. 01:01:49 Rep. Wiseman 01:02:20 Rep. Stahl 01:02:48 Mr. Martin 01:02:59 Rep. Stahl 01:03:53 Mr. Martin 01:04:05 Rep. Stahl 01:04:25 Rep. Cohenour 01:05:04 Rep. Wiseman 01:05:25 Mr. Martin 01:05:33 Rep. Wiseman 01:05:52 Anna Rosenberry, Finance Director, City of Bozeman 01:09:10 Vice Chairman Taylor 01:09:27 Rep. Lake 01:09:57 Ms. Rosenberry 01:11:09 Rep. Lake 01:11:27 Ms. Rosenberry 01:11:59 Vice Chairman Taylor 01:12:13 Rep. Hoven 01:13:14 Ms. Rosenberry 01:13:41 Rep. Barrett

## Closing by Sponsor:

01:15:23 Rep. Pomnichowski

01:14:20 Ms. Rosenberry

- 01:18:33 Vice Chairman Taylor closed the hearing, and Rep. Lake resumed as Chairman.
- 01:20:42 Recess 01:37:54 Reconvene

## HEARING ON HJ 2

## Opening Statement by Sponsor:

01:38:21 Rep. Mike Jopek (D), HD 4, opened the hearing on HJ 2, Revenue estimating resolution.

Proponents' Testimony: None

Opponents' Testimony: None

## Informational Testimony:

01:39:11 Terry Johnson, Principal Fiscal Analyst, Legislative Fiscal Division

## EXHIBIT (tah62a01)

## <u>Questions from Committee Members and Responses</u>:

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01:44:25 Rep. Cohenour
01:44:37 Mr. Johnson
01:47:19 Rep. Cohenour
01:47:26 Mr. Johnson
01:49:26 Rep. Miller
01:49:53 Mr. Johnson
01:50:38 Rep. Miller
01:50:55 Mr. Johnson
01:51:06 Rep. Barrett
01:51:31 Mr. Johnson
01:52:45 Rep. Randall
01:53:26 Mr. Johnson
01:54:03 Rep. Butcher
01:55:30 Mr. Johnson
01:57:26 Rep. McAlpin
01:57:48 Mr. Johnson
01:58:46 Rep. McAlpin
01:58:53 Mr. Johnson
01:59:23 Rep. Stahl
02:00:00 Mr. Johnson
02:00:41 Rep. Stahl
02:01:19 Mr. Johnson
02:02:44 Rep. Miller
02:03:24 Mr. Johnson
02:04:24 Rep. Miller
02:04:46 Rep. Wiseman
02:05:07 Mr. Johnson
02:07:29 Chairman Lake
02:07:42 Rep. Cohenour
         David Ewer, Budget Director, Office of Budget and
02:08:21
          Program Planning (OBPP)
EXHIBIT (tah62a02)
02:12:32 Rep. Cohenour
02:13:00 Mr. Ewer
02:14:27 Stephanie Morrison, OBPP
02:16:38 Rep. Stahl
02:17:24 Ms. Morrison
02:18:28 Chairman Lake
02:18:38 Rep. Stahl
02:18:50 Ms. Morrison
02:19:11 Chairman Lake
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02:19:15 Rep. Barrett
02:19:31 Chairman Lake
02:19:36 Rep. Sonju
02:19:48 Ms. Morrison
02:20:33 Rep. Sonju
02:20:50 Ms. Morrison
02:20:52 Rep. Sonju
02:20:57 Ms. Morrison
02:21:05 Rep. Sonju
02:21:05 Rep. Sonju
02:21:56 Mr. Ewer
02:22:47 Rep. Pomnichowski left the room.
02:23:29 Rep. Sonju
02:24:15 Mr. Ewer

## Closing by Sponsor:

02:25:44 Rep. Jopek

02:28:14 Chairman Lake closed the hearing.

#### EXECUTIVE ACTION ON HJ 2

02:28:27 Motion: Rep. Jopek moved that HJ 2 DO PASS.

#### Discussion:

- 02:29:00 Mr. Martin 02:29:10 Rep. Jopek 02:29:26 Mr. Martin 02:29:39 Rep. Jopek 02:29:51 Chairman Lake
- 02:29:57 <u>Motion</u>: Rep. Jopek moved that **HJ 2 BE AMENDED**. **EXHIBIT**(tah62a03)

#### Discussion:

- 02:30:15 Mr. Martin 02:33:26 Rep. Miller left the room.
- 02:33:42 <u>Vote</u>: Motion carried unanimously by voice vote. Rep. Miller, Rep. Pomnichowski and Rep. Vincent voted by proxy.
- 02:34:06 <u>Motion</u>: Rep. Jopek moved that **HJ 2 BE AMENDED**. **EXHIBIT**(tah62a04)

## Discussion:

- 02:34:19 Rep. Jopek
- 02:34:32 Mr. Martin
- 02:35:09 Chairman Lake
- 02:35:25 <u>Vote</u>: Motion carried unanimously by voice vote. Rep. Miller, Rep. Pomnichowski and Rep. Vincent voted by proxy.
- 02:35:48 Motion: Rep. Jopek moved that HJ 2 DO PASS AS AMENDED.
- 02:36:11 <u>Vote</u>: Motion carried 15-5 by voice vote with Rep. Blasdel, Rep. Butcher, Rep. Miller, Rep. Sonju, and Rep. Vincent voting no. Rep. Miller, Rep. Pomnichowski and Rep. Vincent voted by proxy.
- 02:37:15 Chairman Lake
- 02:37:40 Rep. Stahl
- 02:37:50 Rep. Jopek left the room.

## EXECUTIVE ACTION ON HB 642

- 02:38:00 Motion: Rep. Cohenour moved that HB 642 DO PASS.
- 02:38:07 <u>Motion</u>: Rep. Cohenour moved that **HB 642 BE AMENDED**. **EXHIBIT**(tah62a05)

# Discussion:

- 02:38:53 Rep. Cohenour
- 02:39:30 <u>Vote</u>: Motion carried unanimously by voice vote. Rep. Jopek, Rep. Miller, Rep. Pomnichowski, Rep. Sonju and Rep. Vincent voted by proxy.
- 02:40:15 Motion: Rep. Cohenour moved that HB 642 DO PASS AS AMENDED.

#### Discussion:

- 02:40:28 Rep Stahl
- 02:40:30 Rep. Jopek returned to the room.
- 02:40:54 <u>Motion</u>: Rep. Stahl moved that **HB 642 BE AMENDED**. **EXHIBIT**(tah62a06)
- 02:41:08 Rep. Stahl

- 02:41:42 Rep. Cohenour
- 02:42:04 Rep. Butcher
- 02:42:43 Rep. Wiseman
- 02:43:15 <u>Vote</u>: Motion failed 10-10 by roll call vote with Rep. Blasdel, Rep. Butcher, Rep. Hoven, Rep. Lake, Rep. Miller, Rep. Randall, Rep. Sonju, Rep. Stahl, Rep. Taylor, and Rep. Vincent voting aye. Rep. Miller, Rep. Pomnichowski, and Rep. Vincent voted by proxy.
- 02:45:10 Motion: Rep. Stahl moved that HB 642 BE TABLED.
- 02:45:17 <u>Vote</u>: Motion failed 10-10 by roll call vote with Rep. Blasdel, Rep. Butcher, Rep. Hoven, Rep. Lake, Rep. Miller, Rep. Randall, Rep. Sonju, Rep. Stahl, Rep. Taylor, and Rep. Vincent voting aye. Rep. Miller, Rep. Pomnichowski, and Rep. Vincent voted by proxy.
- 02:47:49 <u>Vote</u>: Motion that **HB 642 DO PASS AS AMENDED** failed 10-10 by roll call vote with Rep. Barrett, Rep. Cohenour, Rep. Grinde, Rep. Hamilton, Rep. Jopek, Rep. McAlpin, Rep. Noonan, Rep. Pomnichowski, Rep. Roundstone, and Rep. Wiseman voting aye. Rep. Miller, Rep. Pomnichowski, and Rep. Vincent voted by proxy.

#### Informational Meeting on Joint Reappraisal Committee Process

- 02:50:29 Rep. Jopek
- 02:51:21 Chairman Lake
- 02:52:02 Sen. Kelly Gebhardt, SD 23
- 02:56:20 Rep. Hoven
- 03:10:24 Rep. Jopek
- 03:16:59 Rep. Stahl
- 03:28:21 Chairman Lake
- 03:28:59 Sen. Christine Kauffman, SD 41
- 03:30:57 Chairman Lake
- 03:31:18 Sen. Gebhardt
- 03:31:47 Chairman Lake
- 03:32:04 Rep. Jopek
- 03:33:30 Chairman Lake
- 03:33:49 Sen. Bruce Tutvedt, SD 3
- 03:34:04 Jim Standaert, LFD

#### EXHIBIT (tah62a07)

- 03:36:17 Chairman Lake
- 03:36:40 Rep. Hoven
- 03:37:16 Rep. Butcher
- 03:38:32 Chairman Lake
- 03:38:45 Rep. Butcher

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| 03:38:56 | Mr. Standaert |
|----------|---------------|
| 03:39:13 | Sen. Gebhardt |
| 03:40:23 | Chairman Lake |
| 03:40:34 | Rep. Butcher  |
| 03:40:59 | Sen. Gebhardt |
| 03:41:23 | Mr. Standaert |
| 03:41:49 | Rep. Jopek    |
| 03:43:02 | Chairman Lake |
| 03:43:07 | Sen. Tutvedt  |
| 03:43:39 | Chairman Lake |
| 03:44:09 | Rep. Jopek    |
| 03:44:36 | Chairman Lake |
| 03:45:02 | Rep. Barrett  |

## **ADJOURNMENT**

03:45:32 Adjournment: 11:50 A.M.

Jennifer O'Loughlin, Secretary

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Additional Documents:

EXHIBIT (tah62aad.pdf)